

---

## OLR Bill Analysis

### sHB 6490

#### ***AN ACT CONCERNING GRANTS IN LIEU OF TAXES FOR LEDYARD AND MONTVILLE AND REPEALING A DEFICIT REPORTING REQUIREMENT.***

#### **SUMMARY:**

This bill subjects certain Mohegan and Mashantucket Pequot property to the requirement that property be revalued every five years. It applies to real property (1) designated within the 1983 settlement boundary and taken into trust by the federal government for the Mashantucket Pequots before June 8, 1999 and (2) taken into trust by the federal government for the Mohegans. Current law exempts this property from revaluation.

PA 12-1, June 12 Special Session (§ 98) made this land eligible for a state payment in lieu of taxes (PILOT) grant equal to 45% of the property taxes that would have been paid on the land and phased in the payment over five years. By law, PILOT grants are based on a property's assessed value as of the prior October 1. Thus, by requiring the Mohegan and Mashantucket property to be revalued, the bill also ties the land's PILOT grant to its revalued assessment.

The bill also eliminates the requirement that the governor report to the General Assembly in October, January, and April on whether a deficit is projected for the current fiscal year. Existing law, unchanged by the bill, requires the Office of Policy and Management secretary to submit (1) monthly reports on potential deficiencies in appropriation accounts to the governor, comptroller, and legislature (CGS § 2-36); (2) monthly budget projections to the state comptroller (CGS § 4-66); and (3) together with the Office of Fiscal Analysis, annual fiscal accountability reports to the legislature each November (CGS § 2-36b).

EFFECTIVE DATE: July 1, 2013 and applicable to assessment years starting on or after October 1, 2013, except that the reporting provision

is effective upon passage.

**COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 50 Nay 1 (04/04/2013)